

AMENDMENTS TO THE DRAWINGS

The attached drawing sheet includes a change to Fig. 11. The change is described in the Remarks section of this paper.

Attachment: Replacement Sheet

REMARKS

Claims 1, 6-8, 10-14, and 18-27 are pending. Claims 2-5, 9 and 15-17 have been canceled. Claims 21-27 are new. The applicant respectfully requests reconsideration and allowance of this application in view of the above amendments and the following remarks.

The abstract was objected to for including implied and legal phraseology. The abstract has been amended to remove such phraseology. Therefore, this objection should be withdrawn.

The claims were objected to for having lines too closely spaced. The claims are listed above with greater line spacing. Therefore, this objection should be withdrawn.

The specification has been amended to correct typographical and other minor errors. The paragraph that begins on page 5, line 33, has been amended to correct the recitation of the weighting factor, which is an obviously wrong since, mathematically, the sum of a set of weightings must be 100%. This paragraph has been corrected to recite that the default weighting factor shall equal a fraction, the numerator of which equals one and the denominator of which equals the number of performance measurements being averaged.

The term "normalized" has been changed to "standardized" in several locations in the specification. This is an obvious error, because the procedure described in the application is well known in statistics as standardization.

In addition, the paragraph that begins on page 14, line 1, has been changed to abbreviate the terms in the equation for assigning a score.

Figure 11 has been amended to change the term "normalized" in boxes 46 and 48 to "standardized." This corrects the error mentioned above.

Rejections based on 35 USC 112

Claims 1-20 were rejected under 35 USC 112, second paragraph, as being indefinite. The applicant respectfully requests that this rejection be withdrawn for the following reasons.

In claim 1, the phrase "the percentage increase or decrease" was said to be indefinite as being alternative. This has been changed to "a percentage change," which no longer uses the word "or."

The phrase "each of consecutive reporting periods" in claim 1 was said to be indefinite. Claim 1 has been amended to recite "each of a plurality of consecutive reporting periods." This phrase is considered to be fully definite.

The phrase "judge the desirability of each investment" in claim 1 was said to be unclear as to how the investments are being judged. This phrase has been removed, and claim 1 now recites that the investments are ranked based on the values of the investment performance measurement, which is considered to be fully definite.

Claim 2 was said to be indefinite for using the conjunction "or." Claim 2 has been canceled, but the subject matter of claim 2 has been incorporated into claim 1. In amending claim 1 to include the subject matter of claim 2, the conjunction "or" was avoided. Therefore, this rejection should be withdrawn.

Claim 4 was said to be indefinite for using the word "or." Claim 4 has been canceled and the subject matter of claim 4 has been incorporated into claim 1. In amending claim 1 to include the subject matter of claim 4, the conjunction "or" was avoided. Therefore, this rejection should be withdrawn. Further, in incorporating the subject matter of claim 4 into claim 1, the word "its" was avoided.

Claim 5 was said to be indefinite due to the recitation "the standard." Claim 5 has been canceled, and the subject matter of claim 5 has been incorporated into claim 1. In adding the subject matter of claim 5 into claim 1, antecedent basis for "the standard length of time" was provided. Therefore, this rejection should be withdrawn.

Claims 7, 11, and 16 were said to be indefinite because of the negative limitation. Claim 16 has been canceled. As for claims 7 and 11, the negative limitation has been removed.

Claim 8 was said to be indefinite because of the phrase "any other group." Claim 8 has been clarified and this phrase has been removed. Claim 8 is now considered to be fully definite, and this rejection should be withdrawn.

Claims 9 was said to be indefinite for the use of the word "or." Claim 9 has been canceled and thus will not be discussed.

Claim 10 was said to be unclear because of negative limitations, alternative language and confusing language. Claim 10 has been amended to remove any alternative language, negative limitations and confusing language. Therefore, this rejection should be withdrawn.

Claims 12 and 17 were said to be indefinite because of the phrase "in respect of any performance measurement value where a lower value is more desirable." Claim 17 has been canceled and thus will not be discussed. As for claim 12, this phrase has been reworded to clarify the claim. Claim 12 now recites "in respect of any performance measurement value for which a lower value reflects a better performance." This phrase is considered to be fully definite, and the applicant requests withdrawal of this rejection.

Claim 15 was said to be indefinite for various reasons. Claim 15 has been canceled.

Claim 20 was said to be indefinite for using the word "or." Claim 20 has been rephrased to avoid the word "or."

In view of the above remarks and amendments, the rejections under section 112, second paragraph, should be withdrawn.

Rejections based on 35 USC 102(e)

Claims 1-20 were rejected under 35 USC 102(e) as being anticipated by the patent to Li. Claims 2-5, 9, and 15-17 have been canceled and thus will not be discussed. As for claims 1, 6-8, 10-14, and 18-20, the applicant respectfully requests that this rejection be withdrawn for the following reasons.

The Li patent discloses a system for automatically generating and displaying market analysis. The market analysis may, but not necessarily, include historical and real time data, a measure of liquidity and volatility of a financial asset, a measure of a financial asset's historical performance, an analysis of a financial asset's return relative to its risk and computed correlation

coefficients and analysis of relationships between a financial asset and its markets or market sectors.

The Li patent indicates in generic terms some of the attributes of a financial asset that might be included in a market analysis. These include performance, risk, volatility, liquidity and relationships. Li elsewhere states that "[r]isk evaluation information comprises correlation coefficients such as Beta, VAR, Sharpe ratio and/or other appropriate coefficients of risk" (Li, col. 5, lines 45-47). The Li method employs software to compute indicators of a financial asset's strength in order to analyze the asset's market value and determine if the asset is overbought or oversold. Such indicators include but are not limited to Relative Strength Indicator ("RSI") and Stochastic indicators K and D ("K/D") (Li, col. 5, lines 50-56). However, Li does not analyze a plurality of investments and does not calculate performance measurements for a plurality of holding periods in a given time frame.

All references to performance attributes or specific measurements are in the context that they are content that can be displayed and automatically updated on a web page. Therefore, although the Li makes generic references to generating various, non-defined or public domain measurements, in substance, Li describe a system for the retrieval and display of data and editorial comments.

Nowhere does the Li patent claim to have invented any method for calculating any performance measurement or mathematically manipulating any performance measurements to produce a new measurement. Neither does the Li patent describe any method for using data to

compare the performance of two or more assets or to rank order or otherwise determine which assets are preferable.

In particular, the Li patent fails to disclose or suggest the use of overlapping holding periods, as required by claim 1. The office action cites column 2, lines 13-28 in reference to the claimed overlapping periods. However, column 2, lines 13-28 fails to provide any disclosure of overlapping holding periods. This section of Li makes a vague reference to historical and real time values, but there is no indication that overlapping periods are considered or treated by Li.

Claim 1 clearly defines each of the holding periods as a period of time spanned by one of a) a single reporting period of a standard length of time and b) consecutive, contiguous reporting periods, each of a standard length of time, such that the length of each holding period is a multiple of the standard length of time. There is no mention of any such holding periods in the Li patent.

The Examiner states that "Li discloses a method for analyzing the performance of a plurality of investments ..." The Li patent is intended to provide data and commentary "for substantially all financial assets" (Li, col. 2, line 17) and so can be said to apply to a plurality of investments. However, a key point is that the methods and systems are described as being applied to one only asset at a time. The only places where the Li claims refer specifically to comparing data between two items are "software executing ... for automatically generating ... the analysis of the relationship between the financial asset and financial markets ... and the determination as to whether or not the financial asset's performance is generally similar to any predictable pattern" (Li, col. 12, lines 48-51). Note that in these cases, the terms "financial

markets" and "predictable pattern" are not defined, nor are the methods for generating the analysis or making the determination described.

The Li method applies only to single assets and not to a portfolio of assets. The patent contains ten references to the word "portfolio." These references are used in passages explaining the meaning of Beta (1 reference), VAR (4 references), Sharpe ratio (1 reference) and generically as referring to a collection of individual assets (4 references). In no case does the text state or suggest that the methods described in the patent were intended to be used in ranking a plurality of investments. Rather, the text indicates that the methods are designed simply to retrieve and display data on individual assets to assist the user in selecting assets for inclusion in a portfolio.

Nowhere does Li describe or suggest a method or system to automatically compare two or more assets or portfolios. On the other hand, claim 1 recites a method of comparing a plurality of investments. This is a significant distinction. Many systems exist today for generating standard performance measurements such as Beta, VAR, Sharpe ratio etc., as described by Li. Some systems permit investments to be automatically rank ordered by reference to a single such measurement (although this ability is not described in the Li patent). However, no system or methods have existed to accomplish the multi-investment comparative analysis now claimed.

As for the claim limitation "... using a data source from which can be derived the percentage increase or decrease in the value of each investment during each of consecutive reporting periods within a given time frame..." the office action refers to 'measure of volatility' col. 1 lines 65 to col. 2 lines 13-28 of Li.

Col. 1, lines 63-67, includes the following:

"... unreliable advice can also have unfavorable effects on his decisions to purchase prospective financial assets. What is desired, therefore, is a system to provide in-depth analysis for a wide variety of financial assets."

Col. 2, lines 7-27, includes the following:

"These and other objects of the invention are achieved by a system for automatically providing market commentary relating to financial assets whereby the commentary is provided for substantially all financial assets. The system includes a computer, a database accessible by the computer and having stored thereon historical data relating to a financial asset, and software executing on the computer for automatically generating market commentary. The market commentary may, but not necessarily, include historical data, a feed of real time data, a measure of volatility of a financial asset, a measure of a financial asset's historical performance, an analysis of a financial asset's return in relation to its risk, and computed correlation coefficients and analysis of relationships between a financial asset and its market or market sectors."

The office action apparently equates the above limitation in claim 1 to references in Li to a "measure of volatility." However, the above limitation of claim 1 refers to a percentage change in value, which is a periodic return value, such as a daily, weekly, monthly or annual return. This is quite different from a measure of volatility, which would measure the average deviation of each return value for each reporting period from the mean of all return values over all reporting periods. A measure of volatility cannot be construed as a percentage change in value of an investment.

In summary, the patent to Li fails to disclose the limitations of claim 1. In particular, Li fails to disclose a method for analyzing the performance of a plurality of investments and fails to disclose calculating values of an investment performance measurement for a plurality of overlapping holding periods within a time frame. Therefore, this rejection should be withdrawn.


Claims 6-8, 10-14 and 18-20 depend, directly or indirectly, on claim 1. Therefore, claims 6-8, 10-14 and 18-20 are considered to be patentable at least for the reasons given above with respect to claim 1.

Claims 20-27 are new. Claims 20-27 depend on claim 1, directly or indirectly. Therefore, claims 20-27 are considered to be patentable at least for the reasons given above with respect to claim 1.

In view of the foregoing, the applicant submits that this application is in condition for allowance. A timely notice to that effect is respectfully requested. If questions relating to patentability remain, the examiner is invited to contact the undersigned by telephone.

If there are any problems with the payment of fees, please charge any underpayments and credit any overpayments to Deposit Account No. 50-1147.

Respectfully submitted,



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